

OUTLINE
RESIDENTIAL DEVELOPMENT CONTROL SYSTEM
ORIENTATION MEETING
July 13, 2009

1. OVERVIEW OF THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM

The current version of the Residential Development Control System (RDCS) was enacted by the citizens of Morgan Hill in March 2004 to regulate the rate of growth of major residential development in the community. The Measure applies to all residential development in the City including mobile homes. The only exception is the construction of a single-family dwelling or one dwelling unit addition on parcels of record and construction of residential dwellings within a 20-block area in and near the Downtown. The Downtown Area exemption was approved by the voters in May 2009.

A limited number of building allotments are available in any single year. To determine which projects receive allotments, projects are evaluated according to a series of standards and criteria contained within 14 separate categories. Points are assigned depending on how well a project does in a particular category. Generally, those projects that receive the highest points are awarded a building allotment.

2. BUILDING ALLOCATION TIME LINE

Building allocations are awarded for a given fiscal year. A property owner or developer must physically commence construction under the building allotment by end of that fiscal year. The filing date under the RDCS process has been established to provide sufficient lead-time to receive all necessary approvals, financing, etc., prior to the required issuance of building permits. Projects' receiving an allocation will be able to construct dwelling units during the City's 2011-12 fiscal year (July 1, 2011 through June 30, 2012). Building permits under the FY 2011-12 allotment can be issued anytime prior to the start of the fiscal year of the building allotment provided that the dwelling units cannot be completed and occupied no early than July 1, 2011. See attached Early Start of Construction Policy.

To ensure that projects have the maximum time available for actual construction, a project tracking time line has been established to monitor the progress of a development through the approval process (see attached). This time line requires the property owner or developer to submit applications for various approvals by specific dates. The City is also required to take action on the various applications within the periods specified in the time line. Should a Project fail to comply with the time line, the City Council may choose to rescind all or part of the project's development allotment and award that allotment to the next development on the list that has qualified for such allotment. Projects that comply fully with the time line will have the full 12 months of the fiscal year of the award in which to commence construction on the homes

RDCS ORIENTATION MEETING

July 13, 2009

Page - 2 -

within the development.

A. Definition of Physical Commencement:

According to Section 18.78.125(G) of the Measure C Ordinance, "dwelling units allocated for one fiscal year and not physically commenced according to an approved development schedule by the end of that fiscal year, shall lose their allocation." A project shall be deemed to have physically commenced development upon issuance of a building permit and completion of the following improvements:

Installation of on-site and off-site improvements including grading and certification of the building pad by the Building Division and completion of one or more of the following:

- a) Excavation of the footings and foundations for the dwelling unit
- b) Installation of water or sewer laterals to the relevant units

The above threshold must be achieved by June 29, 2012 to preserve the building allotment.

3. NUMBER AND TERM OF BUILDING ALLOTMENTS

On June 17, 2009, the City Council approved the Planning Commission's recommendation and authorized a one-year RDCS competition to be conducted in October 2009 to award **198** building allotments for Fiscal Year 2010/11. The following is the approved distribution by competition category:

<u>Competition Category</u>	<u>Allotment</u>
On-going Projects	48
Affordable Set-aside	30
Micro Projects	6
Small Projects	9
Multi-Family Rental	30
Open/Market	30
Senior Housing	30
Custom Lot Projects	5
CC-R and CL-R Zoning Area Projects	10
Total	198

RDCS ORIENTATION MEETING

July 13, 2009

Page - 3 -

4. AMENDMENTS TO RESIDENTIAL DEVELOPMENT CONTROL SYSTEM

The orientation meeting will include an overview of the major changes to the Residential Development Control System evaluation criteria.

Under the Schools category, greater emphasis is placed on establishing safe walking routes to schools. Two additional points will be awarded for off-site pedestrian safety improvements. To off-set this two point adjustment, the two point criterion for providing a community room for after school programs has been eliminated. The cost of providing a community room was a concern. Also, due to fiscal constraints and liability issues, the School District will not use such facilities for off-campus after school programs.

Under the Orderly and Contiguous category, the criterion for evaluating the quality of a project master plan was amended to specify what the plan must provide to achieve the maximum two points. Under the Parks and Paths category, greater emphasis is placed on providing public neighborhood parks.

Under the Quality of Construction category, the latest version of the Build it Green (BIG) checklist will be used as part of the subsequent entitlement process. Points under this criterion would be based solely on the scoring commitment on the BIG checklist. Applicant will still need to complete the version of the checklist using the link in the project narrative under the Quality of Construction category.

5. AMENDMENTS TO MICRO PROJECT SCORING PROCEDURES

Micro Project is a separate RDCS competition that applies to projects at build-out that consists of six or fewer dwelling units. To address ways to streamline the processing of micro projects to lower costs, the City Council approved changes to the initial scoring categories. Only nine of the 14 categories are used to evaluate a micro project. Projects are awarded automatic points in the other categories. The changes eliminated the need for staff to evaluate each project according to the remaining evaluation categories in the event of a tie score. When a tie occurs, the Planning Commission will rank each project to determine which project(s) are eligible to receive the building allotment.

For this year's competition, the schools category was added back as one of the nine evaluation categories and the Natural and Environmental category was removed as one of micro project competition scoring categories.

RDCS ORIENTATION MEETING

July 13, 2009

Page - 4 -

6. PROJECT SUBMITTAL REQUIREMENTS

A limited number of application packets have been prepared for the Orientation Meeting that lists the submittal requirements for all RDCS projects. The application submittal typically includes a site utilization plan, site development plan, preliminary architectural plans including building elevations showing all sides of one typical model and front elevations of other buildings, preliminary grading plan and a landscape plan. The project submittal also includes a project narrative, which contains the applicant's responses to the evaluation criteria. A copy of the RDCS application and project narrative questionnaire is available on CD or can be e-mailed to you upon request. A separate application packet is available for evaluation and scoring of Micro Projects.

Project Narrative

To assist City Staff and the Planning Commission in their review and evaluation of RDCS applications, a standard format for the RDCS Project Narrative has been prepared (see application packet). Each project shall provide three (3) full size (24" x 36") sets of plans and fourteen (14) reduced size (11" x 17") sets of plans to be included with the individual scoring categories as described in Section C of the Filing Requirements. All plans shall be stapled together along the left margin. Full size plan sets shall be folded into 1/8 sections or folded in such a manner that the size does not exceed 9" x 12" and the 11" x 17" sets shall be folded in half.

The format again this year's project is a series of Microsoft Excel Worksheets. Each of 14 evaluation categories is a separate worksheet and you navigate through the document using the tabs at the bottom of the view screen. You enter your written response in the left side column as in prior year competition; however unlike a Word document the space provided for your written response is a fixed size so it is important your responses be brief and concise. The Excel worksheet include build-in "write protected" formulas that will automatically total the point scores you enter at the bottom of each evaluation category and the grand total score sheet at the end of the narrative. If you need more space to provide a written response, you will need to attach the added text as an addendum to your narrative. We strongly recommend that you limit your written responses to the space provided in the project narrative questionnaire.

Project Narrative Requirements

Complete all sections of the Project Narrative Questionnaire – All information shall be completed including Housing Marketability and Price Distribution; and Schools and other Public Facilities. All areas must be completed. Missing sections could result in loss of points for that category. Provide the following Narrative information:

RDCS ORIENTATION MEETING

July 13, 2009

Page - 5 -

1. One CD containing:
 - An electronic file of the Project Narrative Questionnaire in Microsoft Excel format
 - An electronic file of all associated plans in a “.dwg “ or “.dxf” format and in a “.pdf” format
 - Addendum (if provided) in Microsoft Word format
2. One bound copy of the completed Project Narrative Questionnaire.
3. One un-bound copy of the completed Project Narrative Questionnaire
4. **One** copy (8 ½ x 11 inch size) of each of the narrative’s 14 completed scoring categories. Each scoring category copy shall also include a copy of the following sections of the narrative questionnaire and should be assembled in the following order:
 - Narrative cover page
 - Project description
 - Price and marketing
 - BMR information
 - Part I scoring criteria
 - Individual scoring category
 - Any supporting documentation relevant to the individual scoring category (see filing requirements)

7. APPLICATION FILING DEADLINES

All Residential Development Control System project applications must be filed with the Community Development Department on or before Thursday, **October 1, 2009**. In order to allow sufficient time to receive each application, the City will require applicants to make an appointment for the day and time an application is to be filed. The Community Development Department will accept appointments for RDCS submittal beginning September 14, 2009.

RDCS ORIENTATION MEETING
July 13, 2009
Page - 6 -

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